

**AUDITOR SELECTION COMMITTEE
AUGUST 22, 2022
CITY HALL BOARD ROOM
5:30 PM**

CALL TO ORDER

*** INVOCATION**

PLEDGE OF ALLEGIANCE

NEW BUSINESS

- A. Approval of minutes of July 18, 2022 Auditor Selection Committee Meeting
- B. Audit Selection Committee - Proposals Evaluation
 - 1. EFPR Group LLP
 - 2. Mauldin & Jenkins
 - 3. James Moore & Co.

Any person requiring a special accommodation at this hearing because of a disability or physical impairment should contact the City Clerk at (850) 837-4242 at least 48 hours prior to the hearing. If a person decides to appeal any decision made with respect to any matter considered at such meeting, such person will need a record of the proceeding and for such purpose may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. (Sec. 286.0105, Florida Statutes)

MINUTES
AUDITOR SELECTION COMMITTEE
MONDAY, JULY 18, 2022
DESTIN CITY HALL BOARD ROOM
5:30 PM

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

The Auditor Selection Committee met in regular session with the following members and city staff present:

2. ROLL CALL:

Members Present

Jim Bagby
Tom Weidenhamer
Marcie Bell
Jim Wood

Staff Present

City Clerk Rey Bailey
Finance Director Krystal Strickland
City Attorney Kyle Bauman

3. NEW BUSINESS

A. Auditor Selection Committee – Establish factors for evaluation of audit services

The Finance Director noted the following factors with regards to the Audit Selection Committee:

- The Audit Selection Committee shall consist of at least three members to review, score, and rank all proposals.
- By statute, one member shall be a city council member, who shall serve as the chair of the committee.
- No city staff shall serve on the committee; however, an employee, chief executive officer or chief finance officer of the city may serve in an advisory capacity.
- The committee members shall review each proposal individually and score each proposal based on the evaluation criteria listed in the RFP.
- The committee will compile individual rankings for each proposal to determine committee recommendations.
- Submissions will be evaluated to determine those that best meet the needs of the city.

The City Attorney pointed out that this committee falls under the Florida Sunshine Law and Public Records Law; adding that he will not conduct the security briefing at this time because each of the member belongs to a standing committee or the city council and has already previously received the briefing.

The committee reviewed the draft Financial Auditing Services Request for Proposals page by page. The following are changes that were proposed, and comments made during the review:

- Change “CST” to “CDT” on the cover sheet and throughout the entire packet
- Page 5:
 - ❖ Chairman Bagby noted that August 22nd is the tentative date for the Audit Committee’s evaluation of proposals. He suggested that they schedule another committee meeting before the September 8th city council meeting for a tentative in-person oral presentation by the proposers.
 - ❖ The City Attorney suggests adding that language in the RFP to make sure the proposers know they are subject to an in-person interview.
 - ❖ After a brief discussion, the committee agreed to schedule the meeting on August 30th at 5:30 PM.
- Page 6:
 - ❖ Mr. Wood noted that contracts or grant agreements governing the receipt and expenditures of funds related to the Deepwater Horizon oil spill had not been audited in the past.
 - ❖ The Finance Director explained that the city’s auditor missed a new report that the Auditor General is now requiring, which is why it is included in the list of reports to be issued.
 - ❖ Ms. Bell inquired as to the process involved in reference to auditing of funds coming in for the parks.
 - ❖ The Finance Director explained it would be included in the list of reports to be issued. The auditor will do the general audit, and then the Florida single audit if it is required which would include any funding from the State of Florida. They could also do a federal single audit if the city receives more than \$750,000 in any year of federal funding.
- Page 8:
 - ❖ Section 2.5, last paragraph: Language changed from:

“The auditor shall be responsible for presenting the ACFR to council at a regularly scheduled city council meeting by March of each year. This meeting may be attended in person or virtually.”

-to-

“The auditor shall be responsible for presenting the ACFR to council at a regularly scheduled city council meeting by Mach 1st of each year. This meeting should be attended in person by the person signing the audit.”

➤ Page 9:

- ❖ Section 2.7, para. 1, lines 5-6: Change language to read:

“The auditor will be required to retain working papers and reports, to include digital copies, and make them available upon request, to the following parties or their designee:”

➤ Page 12:

- ❖ Section 5.1 – Mandatory Requirements.

Chairman Bagby noted that the following requirements which are described in previous sections in the RFP need to be listed under this section:

- Proof of 5 years’ experience of auditing of similarly situated communities
- Proof of Insurance

➤ Page 14:

- ❖ Section 6.7: List of Attachments for all Proposal:
 - Add: Proof of Insurance

➤ Page 15:

- ❖ Section 7.3, para. 2: Change the language to read:

“The city may make a determination that it is in the city’s best interest to conduct additional discussions or changes in the requirements and request another submission, or an in-person presentation, of best and final offers, from those proposers deemed qualified for any short list”

➤ Pages 23 – 26:

- ❖ Mandatory Attachments to be renumbered as follows:
 - Mandatory Attachment #7 – Proof of Insurance
 - Mandatory Attachment #8 – Public Entity Crimes Statement
 - Mandatory Attachment #9 – Drug-Free Workplace Certification

The Finance Director asked whether each of the committee members is agreeable to the evaluation criteria (point system) as outlined on page 12 of the RFP package.

Mr. Weidenhamer asked whether they have ruled out location as part of the evaluation criteria.

Chairman Bagby noted he has been advised by the City Attorney and Finance Director that they cannot use local area preference as an evaluation criterion, with the exception of federal contracts.

Committee member Wood moved to approve the Request for Proposal, as amended, with review to be made by Chairman Bagby prior to the release; seconded by Committee member Weidenhamer. Motion passed 4-0.

Committee member Bell moved to approve the schedule for the solicitations, as amended, for the firms; seconded by Committee member Wood. Motion passed 4-0.

Committee member Wood moved to adopt the staff's proposed scoring breakdown as presented in the Request for Proposal; seconded by Committee member Weidenhamer. Motion passed 4-0.

ADJOURNMENT

Having no further business at this time, the meeting was adjourned at 6:15 PM.

Jim Bagby, Chairman